CENTRAL INTELLIGENCE AGENCY NATIONAL FOREIGN ASSESSMENT CENTER

27 December 1981 Information as of 1630

SITUATION REPORT: POLAND

The French press agency reports what would be the first notable success for Church mediating efforts -- gaining the release of 800 detainees. Reliable sources at the Vatican were said to credit the success to the liaison committee of laymen formed last week by Archbishop Glemp. In addition to obtaining the release of all detainees, the group's main goals in its negotiations with the regime are to end the state of martial law and win a guarantee for the workers' right to form an independent trade union.

In an effort to improve the chances for labor peace, the regime has announced a reduction in meat rations beginning in January for all but workers. Under an earlier directive, only miners were to have been exempted. Warsaw radio attributed deliveries from its socialist allies for the regime's ability to enlarge the exemption, but this recent supplemental aid may be shortlived. There will be more pressure now on the authorities to elicit greater deliveries of meat from Polish farmers either by patriotic and humanitarian appeals or by force.

There has been no significant change in the military situation in and around Poland. reported to Embassy personnel that according to his Soviet contacts, Moscow is satisfied with Jaruzelski's handling of martial law in Poland but they are concerned about the economic and political costs involved.

Soviet coverage of the crisis today focuses on sharp criticism of the US decision to impose economic sanctions on Poland and on charges that the US is trying to force its Western allies into supporting sanctions. The press campaign probably reflects the Soviets' concern about the potential impact of sanctions on the faltering Polish economy and on their own economic burdens. The campaign also indicates that Moscow will persist in efforts to isolate the US on the issue of sanctions.

The Soviet press continues to avoid mention of the link established by President Reagan between Poland and possible sanctions against the USSR. The Soviets may be concerned about domestic reaction to the possibility of another grain embargo following three relatively bad harvests and a tightening food This concern probably accounts for the meager situation at home. attention being given to Soviet efforts to aid Poland by sending in food supplies.

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